## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6897 NOTE PREPARED:** Jan 5, 2005

BILL NUMBER: SB 358

BILL AMENDED:

**SUBJECT:** Retired State Police Officer Health Coverage.

FIRST AUTHOR: Sen. Young R Michael BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides a three-month period during which a retired State Police officer who previously participated in health coverage provided for retired State Police officers and allowed the coverage to lapse may re-enroll in the coverage.

Effective Date: July 1, 2005.

Explanation of State Expenditures: The bill provides that a retired State Police officer who participated in health coverage provided for retired State Police officers after retirement who allowed the health coverage to lapse and who is not participating in the health coverage on July 1, 2005, may re-enroll in the health coverage after June 30, 2005, and before October 1, 2005. This bill allows a three-month period during which the retiree can re-enroll. A retired State Police officer who re-enrolls in health coverage is subject to the same terms and conditions of coverage that would apply to the retired State Police officer if the retired State Police officer had not allowed the health coverage to lapse. The retiree is required to pay the entire premium (consisting of both the employer share and the employee share). Any impact of the bill would depend on the number and health conditions of those who re-enroll.

*Background*: ISP has 1,800 active enrollees in ISP health coverage plans with 800 retirees. Fourteen legislators also receive coverage. The highest monthly rates for retirees without Medicare for only health benefits equaled \$104 for single coverage with \$183 for family with a \$450 deductible. Monthly rates for health, vision, and dental with a \$150 deductible equaled \$138 for single coverage and \$300 for family.

## **Explanation of State Revenues:**

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## **Explanation of Local Expenditures:**

**Explanation of Local Revenues:** 

**State Agencies Affected:** ISP

**Local Agencies Affected:** 

**Information Sources:** ISP Health Care Plans.

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